



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 5, 2000

S. 1848

A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act, to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project

*As reported by the Senate Committee on Energy and Natural Resources
on September 29, 2000*

SUMMARY

S. 1848 would authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse Project. This project would recycle wastewater for the city and county of Denver, Colorado. Based on information from the Bureau of Reclamation, CBO estimates that implementation of S. 1848 would cost \$22 million over the 2001-2003 period, assuming appropriation of the necessary amounts. S. 1848 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 1848 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments might incur some costs to match the federal funds authorized by this bill, but these costs would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1848 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2001	2002	2003	2004	2005
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	10	12	0	0	0
Estimated Outlays	5	10	7	0	0

BASIS OF ESTIMATE

For this estimate, CBO assumes enactment of S. 1848 early in fiscal year 2001 and the appropriation of necessary funds. This estimate is based on information from the Bureau of Reclamation and historical spending patterns of similar programs.

CBO estimates that the Denver Water Reuse project would cost \$140 million. S. 1848 allows funds appropriated under section 1615 of the Reclamation Wastewater and Groundwater Study and Facilities Act to be used for the project. This act limits the federal contribution to 25 percent of the project's total cost, but no more than \$20 million, as adjusted for inflation since October 1996. Because 25 percent of the project's total cost would exceed this threshold, CBO estimates that implementing S. 1848 would cost the federal government \$22 million over the 2001-2003 period. S. 1848 would not allow the federal government to fund the operation and maintenance of the project.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE SECTOR IMPACT

S. 1848 contains no intergovernmental or private-sector mandates as defined in UMRA. State and local governments might incur some costs to match the federal funds authorized by this bill, but these costs would be voluntary.

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